ValuEngine, Inc.

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Presents:

The **ValuEngine** View

Created by:
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For May/June, the ValuEngine View returned to its winning ways with a great month, We saw winners almost across the board with a hit ratio of 80%/ Strong market gains were met with even stronger results from our picks. Our portfolio posted a big gain in excess of 9% and more than doubled the S&P 500. *The trailing 12 month gain of the VE View is 33.44% versus the S&P 500 return of 17.57%. We are almost doubling the S&P over the past year. The return since inception of the View is 119.65% versus the S&P's gain of 71.48%. It remains our best performing newsletter under current market conditions.*

We had twelve winners this month—with five one of them posting double-digit gains. Lannett posted a big gain of almost 29% and was followed by Canadian Solar, Micron Tech, Synnex, and Brocade. Losses were minor from Amtrust, Gielad, and Gentex—none of which topped 4%. With no real losses to speak of, a stop-loss level of 15% did not come into play this month.

The jury is still out on the "Sell in May and Go Away" maxim this Summer and the warmer weather certainly hasn't impacted the View's performance. Economic data continues to improve despite minor hiccups. However, once again events on the world stage are unsettling with the Middle East setting up for another round of disruption and unrest.

The Valuation Model finds that almost 76% of the equities to which we can assign a valuation to be overvalued--with 35% coming in overvalued at 20% or more. ALL sectors remain overvalued—thirteen of them by double-digit figures.

In our May portfolio, we turnover five stocks. On a sector basis the model likes Computers and Tech, Finance, Basic Materials, and Oils-Energy stocks. We retain ten picks, and add two selections from our Valuation model's aggressive growth strategy along with one selection from our Forecast model—with two of the newcomers favored by both strategies.

SteveHach
Senior Editor, ValuEngine Inc.

MAY RESULTS

Symbol	Company Name	Entry Price 5/21/14	Current Price	Change	%Change
AFSI	AMTRUST FINANCIAL SERVICES	44.23	42.49	-1.74	-3.93
BMA	BANCO MACRO-ADR	30.01	31.79	1.78	5.93
BRCD	BROCADE COMMUNICATION SYSTEMS	8.47	9.4	0.93	10.98
CSIQ	CANADIAN SOLAR	22.41	27.98	5.57	24.85
GILD	GILEAD SCIENCES	81.14	79.79	-1.35	-1.66
GNTX	GENTEX CORP	28.89	28.65	-0.24	-0.83
HII	HUNTINGTON INGALLS	95.03	98.81	3.78	3.98
KS	KAPSTONE PAPER	28.09	30.73	2.64	9.40
LCI	LANNETT INC	36.71	47.2	10.49	28.58
LYB	LYONDELL BASEL-A	97	98.78	1.78	1.84
MEOH	METHANEX CORP	57.35	60.95	3.60	6.28
MU	MICRON TECH	26.55	32.25	5.70	21.47
SNX	SYNNEX CORP	61.43	71.41	9.98	16.25
SPR	SPIRIT AEROSYSTEMS	31.59	33.61	2.02	6.39
UPL	ULTRA PETROLEUM CP	26.81	29.19	2.38	8.88
	LONG PORTFOLIO				9.23
GSPC	S&P500	1872.83	1936.16	63.33	3.38

The model is replacing five stocks. *The portfolio is now listed in alphabetical order by ticker symbol.* The entire new portfolio for the month is summarized in a table at the end of the newsletter.

Amtrust Financial Services, Inc. is a holding company. The Company is a multinational specialty property and casualty insurer focused on generating consistent underwriting profits. The Company operates in four business segments: small commercial business, specialty program and personal lines reinsurance. The Company transacts business through 11 insurance company subsidiaries: Technology Insurance Company, Inc. (TIC), Rochdale Insurance Company (RIC), Wesco Insurance Company (WIC), Associated Industries Insurance Company, Inc. (AIIC), Milwaukee Casualty Insurance Company (MCIC), Security National Insurance Company (SNIC), AmTrust Insurance Company of Kansas, Inc. (AICK) and AmTrust Lloyd's Insurance Company of Texas (ALIC). In December 2013, the Company announced that it its wholly owned subsidiary completed the acquisition of Sagicor Europe Limited. In January 2014, the Company acquired Insco Dico Group.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
42.49	-13.74	1.71	20.52	31.25	10.55	FINANCE

Banco Macro SA is an Argentina-based financial institution. The Bank offers traditional banking products and services to businesses and individuals nationwide. It divides its operations into personal banking, which provides services for individuals and microenterprises; and corporate baking, which covers small, medium and large companies, as well as major corporations and agribusinesses. The Bank's products and services portfolio includes loans, insurance, debit and credit cards, investment advice and fixed-term deposits, among others. As of December 31, 2012, the Bank owned fully consolidated subsidiaries Banco del Tucuman SA, Banco Privado de Inversiones SA, Macro Bank Limited, Macro Securities SA Sociedad de Bolsa, Macro Fiducia SA and Banco del Tucuman SA.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
31.79	-3.16	1.85	22.17	108.32	4.08	FINANCE

RETAINED   CSIQ   CANADIAN SOLAR

Canadian Solar Inc. (CSI) designs, develops, and manufactures solar wafers, cells and solar module products that convert sunlight into electricity for a variety of uses. Its products include a range of solar modules built to general specifications for use in a range of residential, commercial and industrial solar power generation systems. Specialty solar modules and products consist of customized solar modules that its customers incorporate into their own products, such as building integrated photovoltaic modules modules. In October 2013, it announced that BlackRock acquired from Canadian Solar two utility-scale solar power plants totaling 20MW (AC). In December 2013, its subsidiary, CSI Holdco LLC sold two utility-scale solar power plants totaling 4.4 mega watts DC to Public Service Enterprise Group Inc subsidiary, PSEG Solar Source. In March 2014, the Company announced the opening of Microgrid Testing Centre.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
27.98	-3.21	1.34	16.08	176.48	18.69	OILS-ENERGY

NEW BUY   FNSR   FINISAR CORP

Finisar Corp. is a provider of fiber optic subsystems and network test and monitoring systems which enable high-speed data communications over local area networks, or LANs, storage area networks, or SANs, and metropolitan access networks, or MANs. They are focused on the application of digital fiber optics to provide aline of high-performance, reliable, value-added optical subsystems for data networking and storage equipment manufacturers.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
19.58	-25.35	1.57	18.86	39.86	16.5	COMPUTER AND TECHNOLOGY

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RESEARCH

PO Box 399 Melbourne, FL 32902 Support@ValuEngine.com (800) 381-5576

GNRC | 18 Jun 14 | O:46.88 H:47.05 L:46.67 C:46.77 | Vol:9.33K | -0.12 (0.25%) | ⊕ finviz.com

SMA 50
SMA 200
SMA 20

DAILY

46.77

Generac Holdings Inc. is a manufacturer of backup power generation products serving residential, light commercial and industrial markets. The Company designs, engineers, manufactures, and markets a range of automatic, stationary standby, and portable generators. Generac's power systems range in output from 800 watts to 9 megawatts and are available through a broad network of independent and industrial dealers, retailers and wholesalers. The Company offers generators fueled by natural gas, liquid propane, gasoline, diesel, and Bi-Fuel. It also provides air-cooled engines. In addition, Generac designs, manufactures, sources and modifies engines, alternators, automatic transfer switches and other components necessary for its products. The Company's generators are fueled by natural gas, liquid propane, gasoline, diesel and Bi-Fuel (combined diesel and natural gas). Generac Holdings Inc. is headquartered in Waukesha, Wisconsin.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
46.88	-13.24	1.65	19.84	33.94	12.56	COMPUTER AND TECHNOLOGY

GNTX | 18 Jun 14 | O:28.58 H:28.58 L:28.51 C:28.53 | Vol:13.21K | -0.12 (0.42%) | ⊕ finviz.com

SMA 50
SMA 200
SMA 20

DAILY

28.53

Gentex Corporation is a supplier of automatic-dimming (auto-dimming) rear-view mirrors and camera-based lighting-assist features to the global automotive industry. The Company also provides commercial smoke alarms and signaling devices to the North American fire protection market, as well as dimmable aircraft windows for the commercial, business and general aviation markets. The Company is involved in designing, developing, manufacturing and marketing interior and exterior auto-dimming automotive rear-view mirrors that utilize electrochromic technology to dim in proportion to the amount of headlight glare from trailing vehicle headlamps. The Company also manufactures non-automatic-dimming rear-view automotive mirrors with electronic features. On September 27, 2013, the Company acquired Johnson Controls' HomeLink business.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
28.65	-0.01	1.07	12.82	23.92	16.25	AUTO-TIRES-TRUCKS

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RESEARCH

HII — HUNTINGTON INGALLS

HII   18 Jun 14   O:99.06 H:99.44 L:98.86 C:99.01   Vol:3.97K   +0.20 (0.20%)   finviz.com

SMA 50
SMA 200
SMA 20

DAILY

99.01

Huntington Ingalls Industries, Inc. (HII) owns and operates two segments: Ingalls Shipbuilding and Newport News Shipbuilding. Through HII's Ingalls segment, it is a supplier and builder of amphibious assault and expeditionary ships to the United States Navy, the builder of National Security Cutters for the United States Coast Guard, and one of the two companies that builds the United States Navy's fleet of DDG-51 Arleigh Burke-class destroyers. Through its Newport News segment, it is an industrial designer, builder, and refueler of nuclear-powered aircraft carriers, and one of the two companies designing and building nuclear-powered submarines for the United States Navy. It is a full-service provider for the design, engineering, construction, and life cycle support of surface ship programs for the United States Navy. It conducts all of its business with the United States Government, principally the Department of Defense. In January 2014, HII acquired The S.M. Stoller Corporation.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
98.81	-10.87	1.6	19.24	75.48	15.9	AEROSPACE

LCI — LANNETT INC

LCI   18 Jun 14   O:47.22 H:47.29 L:47.00 C:47.27   Vol:6.8K   +0.07 (0.15%)   finviz.com

SMA 50
SMA 200
SMA 20

DAILY

47.27

Lannett Company, Inc. is engaged in developing, manufacturing, marketing and distributing generic versions of branded pharmaceutical products. All of the Company's products manufactured and/or sold are prescription products. The Company's products containing Levo are produced and marketed with 12 varying potencies. In addition to generic Levo tablets, the Company also markets and distributes Unithroid tablets, a branded version of Levo, which is produced and marketed with 11 varying potencies. The Company's Levo tablets are used to treat hypothyroidism and other thyroid disorders. The Company's generic Levo tablets and Unithroid tablets are manufactured by Jerome Stevens Pharmaceuticals (JSP). As of June 30, 2012, the Company manufactured and/or distributed 30 products.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
47.2	7.66	0.55	6.56	301.02	29.08	MEDICAL

RETAINED — MEOH — METHANEX CORP

MEOH | 18 Jun 14 | O:61.00 H:61.00 L:60.77 C:60.95 | Vol:4.35K | 0.00 (0.00%) | finviz.com

60.95

Methanex Corporation (Methanex) is a supplier of methanol to international markets in Asia Pacific, North America, Europe and Latin America. The Company's operations consist of the production and sale of methanol. During the year ended December 31, 2011, its total annual production capacity, including Methanex equity interests in jointly owned plants, was 9.3 million tons. It is located in Chile, Trinidad, Egypt, New Zealand and Canada. It has marketing rights for 100% of the production from the jointly owned plants in Trinidad and Egypt and this provides the Company with an additional 1.2 million tons per year of methanol offtake supply. In addition to the methanol produced at its sites, it purchases methanol produced by others under methanol offtake contracts and on the spot market.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
60.95	-3.24	1.52	18.18	38.55	12.53	BASIC MATERIALS

RETAINED — MU — MICRON TECH

MU | 18 Jun 14 | O:32.39 H:32.43 L:31.98 C:32.03 | Vol:2.15M | -0.22 (0.70%) | finviz.com

32.03

Micron Technology, Inc., is a global manufacturer and marketer of semiconductor devices, principally NAND Flash, DRAM and NOR Flash memory, as well as other memory technologies, packaging solutions and semiconductor systems for use in computing, consumer, networking, automotive, industrial, embedded and mobile products. In addition, the Company manufactures semiconductor components for CMOS images sensors and other semiconductor products. The Company operates in four segments: NAND Solutions Group (NSG), DRAM Solutions Group (DSG), Wireless Solutions Group (WSG) and Embedded Solutions Group (ESG). The Company's product include NAND Flash Memory, Dynamic Random Access Memory (DRAM) and NOR Flash Memory. The Company's manufacturing facilities are located in the United States, China, Israel, Italy, Malaysia, Puerto Rico and Singapore.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
32.25	61.42	0.07	0.87	143.58	12.8	COMPUTER AND TECHNOLOGY

PKG — PACKAGING CORP

PKG   18 Jun 14   O:70.54 H:70.71 L:70.28 C:70.28   Vol:59.46K   -0.06 (0.09%)   finviz.com

SMA 50
SMA 200
SMA 20

70.28

Packaging Corp. of America is one of the largest producers of containerboard in the United States and also one of the largest manufacturers of corrugated packaging products. The company produces corrugated containers as well as the containerboard used to manufacture corrugated containers. Corrugated containers are the most commonly used type of paper packaging. Corrugated containers, referred to as cardboard boxes, are made by combining multiple layers of heavyweight paper known as containerboard and fabricating them into finished boxes.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
70.34	-3.62	1.24	14.85	42.19	17.56	INDUSTRIAL PRODUCTS

SID — CIA SIDERUR-ADR

SID   18 Jun 14   O:4.09 H:4.10 L:4.09 C:4.10   Vol:53.96K   +0.04 (0.99%)   finviz.com

SMA 50
SMA 200
SMA 20

4.10

CIA SIDERUR-ADR, through the combining of its own mines, steel mill, railroads, ports and service and distribution centers within the scope of its operations, makes them the largest integrated steel-making complex in Latin America. Leader of the Brazilian steel industry, the company has the capacity to produce 5 million tonnes a year of crude steel.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
4.06	-4.59	1.6	19.17	33.55	10.11	BASIC MATERIALS

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RETURNED   SNX   SYNNEX CORP

Synnex Corporation is a business process services company. The Company provides services to resellers, retailers and original equipment manufacturers (OEMs), in multiple regions around the world. The Company's business process services are wholesale distribution and business process outsourcing (BPO). The Company operates in two segments: distribution services and global business services (GBS). Its distribution services segment distributes information technology (IT) systems, peripherals, system components, software, networking equipment, CE, and complementary products and also offers data center server and storage solutions. It also provides contract assembly services within its distribution services segment. Its GBS segment offers a range of BPO services to technical support, renewals management, lead management, direct sales, customer service, back office processing customers. It acquired IBM's customer relationship management (CRM) business, on January 31, 2014.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
71.41	12.19	0.87	10.44	66.3	14.08	COMPUTER AND TECHNOLOGY

RETAINED   UPL   ULTRA PETROLEUM CP

Ultra Petroleum Corp. (Ultra) is an independent oil and gas company engaged in the development, production, operation, exploration and acquisition of oil and natural gas properties. The Company's operations are primarily located in the Green River Basin of southwest Wyoming and the north-central Pennsylvania area of the Appalachian Basin. Ultra's operations in southwest Wyoming are focused on developing its natural gas reserves in a tight gas sand trend located in the Green River Basin with targets in the sands of the upper Cretaceous Lance Pool in the Pinedale and Jonah fields. As of December 31, 2012, Ultra owned interests in approximately 84,000 gross (49,000 net) acres in Wyoming covering approximately 190 square miles. In December 2012, CorEnergy Infrastructure Trust, Inc acquired a liquids gathering system (LGS) from Ultra. Effective December 12, 2013, Ultra Petroleum Corp acquired an undisclosed oil and gas producing properties, located in Uinta Basin.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
29.19	-38.93	1.79	21.53	33.9	13.09	OILS-ENERGY

NEW BUY | VRX | VALEANT PHARMACEUTICALS

VRX 18 Jun 14 O:120.04 H:120.13 L:119.20 C:119.93 Vol:138.86K **+1.06 (0.89%)** finviz.com

Valeant Pharmaceuticals International, Inc. is a pharmaceutical company that develops, manufactures and markets a broad range of pharmaceutical products primarily in the areas of neurology, dermatology and branded generics. The Company produces medicines that meet the special health problems of patients. Valeant's development pipeline strategy comprises both new compounds as well as product life cycle management. Its early and late-stage drug candidates have unique formulations and mechanisms of action including retigabine for the treatment of epilepsy and pain, taribavirin of the treatment of chronic hepatitis C, and several dermatology candidates for the treatment of rosacea, acne, and dermatological fungus. Valeant Pharmaceuticals International, Inc. is headquartered in Mississauga, Canada.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
118.87	-12.78	1.44	17.31	40.14	16.97	MEDICAL

JUNE ALTERNATE SELECTIONS

Symbol	Company Name	Mkt Price	Valuation (%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
FSS	FEDERAL SIGNAL CP	14.62	-0.1	1.36	16.37	69.21	15.5	MULTI-SECTOR CONGLOMERATES
STRZA	STARZ-LIB CAP-A	28.48	-47.45	1.72	20.61	24.8	13.46	CONSUMER DISCRETIONARY
TSEM	TOWER SEMICONDUCTORS	9.18	-10	1.94	23.16	75.86	7.1	COMPUTER AND TECHNOLOGY
TTWO	TAKE-TWO INTERACTIVE SOFTWARE	21.08	1.56	1.48	17.75	35.21	6.54	CONSUMER DISCRETIONARY
TX	TERNIUM SA-ADR	27.17	-8.29	1.58	18.94	23.33	10.34	BASIC MATERIALS

NOTE: Current Holdings in BOLD.

   These stocks were included as a courtesy and are subject to the same rigorous research process as the primary selections. You should carefully research the stock picks provided in this newsletter for information on dividend payment schedules, mergers, stock splits, corporate actions, SEC activities, "acts of God," etc. ValuEngine's proprietary models cannot always calculate the impact of such events on portfolio picks and all investment targets should be subjected to an additional human "sanity check."   If in doubt, use an alternate selection.

   ValuEngine's Valuation and Forecast data are derived from our proprietary quantitative models and consider numerous factors including: firm-specific variables like the Long-run EPS growth rate, the Duration of the Business-growth-cycle, the Volatility of EPS growth rate, the Systematic or beta risk of the firm, the Correlation between the firm's EPS and the interest rate environment, Dividend payout ratio, and Buffer earnings. Model calculations also include interest rate-related criteria as well as technical data such as short and long-term price reversal characteristics. ValuEngine Ratings cover approximately 8,000 stocks.

MAY ALTERNATE RESULTS

Symbol	Company Name	Entry Price 5/21/14	Current Price	Change	%Change
ALR	ALERE INC	34.97	36.4	1.43	4.09
ATK	ALLIANT TECHSYS	123.85	136.01	12.16	9.82
EJ	E-HOUSE CHINA	9.22	8.61	-0.61	-6.62
JKS	JINKOSOLAR HLDG	22.37	28.49	6.12	27.36
NUS	NU SKIN ENTERP	72.1	76.75	4.65	6.45
	LONG PORTFOLIO				8.22
GSPC	**S&P500**	1872.83	1936.16	63.33	3.38

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The table below summarizes all of the above holdings and reflects an equally weighted portfolio with $1,000 invested in each stock using Tuesday's closing prices. **Stocks in bold letters are new positions.**

JUNE PORTFOLIO

Ticker	Company Name	Mkt Price	Number of Shares	Sector
AFSI	AMTRUST FINANCIAL SERVICES	42.49	24	FINANCE
BMA	BANCO MACRO-ADR	31.79	31	FINANCE
CSIQ	CANADIAN SOLAR	27.98	36	OILS-ENERGY
FNSR	**FINISAR CORP**	19.58	51	COMPUTER AND TECHNOLOGY
GNRC	**GENERAC HOLDING**	46.88	21	COMPUTER AND TECHNOLOGY
GNTX	GENTEX CORP	28.65	35	AUTO-TIRES-TRUCKS
HII	HUNTINGTON INGALLS	98.81	10	AEROSPACE
LCI	LANNETT INC	47.2	21	MEDICAL
MEOH	METHANEX CORP	60.95	16	BASIC MATERIALS
MU	MICRON TECH	32.25	31	COMPUTER AND TECHNOLOGY
PKG	**PACKAGING CORP**	70.34	14	INDUSTRIAL PRODUCTS
SID	**CIA SIDERUR-ADR**	4.06	246	BASIC MATERIALS
SNX	SYNNEX CORP	71.41	14	COMPUTER AND TECHNOLOGY
UPL	ULTRA PETROLEUM CP	29.19	34	OILS-ENERGY
VRX	**VALEANT PHARMACEUTICALS**	118.87	8	MEDICAL

NOTE: New Buys in BOLD

To summarize, we are selling: BRCD,GILD,KS,LYB, and SPR

And, we are purchasing: FNSR,GNRC,PKG,SID, and VRX

The ValuEngine View newsletter is the product of sophisticated stock valuation and forecast models first developed by Yale Professor of Finance Zhiwu Chen. The Valuation Model utilizes a three factor approach: fundamental variables such as a company's trailing 12-month Earnings-Per-Share (EPS); analyst consensus estimate of the company's future 12-month EPS; and the 30-year Treasury yield. The Forecast Model uses proprietary and well-established forecasting variables derived from financial research studies. Short and long-term historic factors in the VE valuation model's calculation include past-valuation levels of the stock and its recent price-momentum factor relative to other stocks. These considerations, applied with the firm-specific variables, allow the model to differentiate a stock across sectors and within the company's own business-growth stages.

The ValuEngine View portfolio is constructed by integrating both our Aggressive Growth—based on the Valuation Model--and Diversified Growth—based on the Forecast Model-- Portfolio Strategies. The portfolio has 15 stocks and is balanced once each month. Note that the newsletter is published near the middle of each calendar month. An equal amount of capital is allocated to each stock. The monthly returns are calculated from the closing prices on date of publication. The performance calculation does not include any transaction costs.

ValuEngine's research combines the most advanced academic concepts with real world Wall Street practice. The result is state-of-the-art fair market valuation and price forecasting technologies.

ValuEngine's stock valuation employs a sophisticated, three-factor approach. Fundamental variables, such as a company's trailing 12-month Earnings-Per-Share (EPS), the analyst consensus estimate of the company's future 12-month EPS, and the 30-year Treasury yield, are all used to create a more accurate reflection of a company's fair value. Together with eleven additional variables, ValuEngine paints a detailed picture of a company's fair value, represented by the model price.

ValuEngine's stock forecasts examine, among other things, short-term price reversals, intermediate-term momentum continuation, and long-term price reversals over six time horizons for every industry to ensure forecasts are established relative to a stock's proper peer groups. Advanced statistical/econometric techniques are used to run thousands of simulations estimating the probability of a double in stock price, as well as the probability of meeting and exceeding any given portfolio or stock investment target.

The stock's engine rating is an assessment of its overall attractiveness. It combines valuation, risk-return trade-off, momentum, market capitalization and forecasted future returns. Only two percent of the stock universe receives the highest 5-engine rating. The lowest rating is a single engine.

For more information on ValuEngine, its models and performance, go to www.ValuEngine.com

Engine Rating and Average Annual Return
(Jan 1990 - Jul 2008)
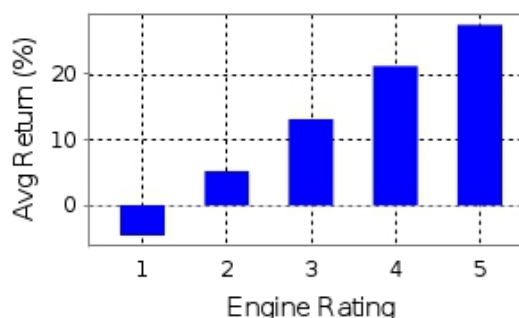
DISCLOSURES

ValuEngine offers equity recommendations and related return estimates to investors and their advisors. It uses a three-class Buy-Hold-Sell rating system. This is a consolidated version of the firm's five class rating system: most favorable and favorable ratings are buys; neutral ratings are holds and the categories unfavorable and most unfavorable are sells.

STOCK RATINGS: The terms below are used to rate a stock's 12-month performance:
1. Buy: Expected to outperform the SP500 producing above average returns.
2. Hold: Expected to perform in line with the SP500 with average returns.
3. Sell: Expected to underperform the SP500 producing below-average returns.

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